

National Round Table on the Environment and the Economy

2012–13

Report on Plans and Priorities

**The Honourable Peter Kent
Minister of the Environment**



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Message from the President and CEO

The National Round Table on the Environment and the Economy (NRTEE or Round Table) is an independent policy advisory body reporting to Parliament through the Minister of the Environment. The purpose of the Round Table, according to the *NRTEE Act* (1993), is "to play the role of catalyst in identifying, explaining, and promoting, in all sectors of Canadian society and in all regions of Canada, principles and practices of sustainable development."

Drawing on the insight and experience of NRTEE members, the Round Table examines the environmental and economic implications of priority issues and offers integrated advice on how to address them, with the ultimate goal of influencing federal policy development and decisions in other key sectors on these issues. Since its formation over 20 years ago, the NRTEE has established a reputation for working effectively in highly contentious areas and for providing independent, credible, and balanced research and advice.

The Round Table will complete its innovative *Climate Prosperity* research initiative in 2012-2013 with the release of the fifth and sixth advisory reports in this series. The fifth will explore what actions Canadian businesses need to undertake to adapt to climate change impacts and how governments can help. The sixth will characterize the opportunities, in terms of both business resilience and market growth, available to Canada through an early transition to a low carbon economy. The Round Table also plans to release in Spring, 2012 reports on two references given it by the government in early 2011. The first will provide an analysis of provincial/territorial climate change plans and policies and their likely contribution to Canada achieving its 2020 emission reduction targets. The other will deal with the possible use of life cycle approaches to support the government's economic and environmental agendas. To support these and other initiatives, we will enhance our strategic communications and stakeholder engagement activities and expand the use of social media in the conduct of our work.

To meet its ongoing priorities, the Round Table will continue to abide by its legislated responsibilities under the *Kyoto Protocol Implementation Act* as required and, respond to any future requests from government for research and policy advice on specific topics of concern.

Our unique role as a knowledgeable, independent convener of views and information from across the spectrum of society has allowed us to make a substantial contribution to sustainable development and national prosperity. We are committed to assisting the Government of Canada, Parliament, and Canadians in continuing along this path.

To advance our next policy agenda, the NRTEE is engaging government, Parliamentarians, stakeholders and Canadians in seeking ideas and suggestions for new sustainable development policy advice by the Round Table.

David McLaughlin
President and Chief Executive Officer



Section I: Overview

Raison d'être and Responsibilities

The purpose of the National Round Table on the Environment and the Economy (NRTEE or Round Table) is to play the role of catalyst in identifying, explaining, and promoting, in all sectors of Canadian society and in all regions of Canada, principles and practices of sustainable development.

The NRTEE interprets this broad mandate through a strategic focus on issues of national interest at the intersection of the environment and the economy.

Through its work, the NRTEE strives to influence policy development and decisions on issues pertaining to the environment and economy. These promote economic prosperity for all Canadians while striving to preserve the environment for current and future generations.

Purpose
<ul style="list-style-type: none"> (a) undertaking research and gathering information and analyses on critical issues of sustainable development; (b) advising governments on ways of integrating environmental and economic considerations into their decision-making processes and on global issues of sustainable development; (c) advising those sectors and regions on ways of incorporating principles and practices of sustainable development into their activities; (d) promoting the understanding and increasing public awareness of the cultural, social, economic and policy changes required to attain sustainable development; and (e) facilitating and assisting cooperative efforts in Canada to overcome barriers to the attainment of sustainable development.

NRTEE Act, Section 4

Created in 1988 by the Prime Minister, the National Round Table on the Environment and the Economy is an independent national advisory body reporting to the federal government and Parliament through the Minister of the Environment (see Figure 1 for the agency's internal organization and relationship to the federal government). The Round Table had its status formalized in 1993 by an Act of Parliament, Bill C-72, *An Act to establish the National Round Table on the Environment and the Economy (NRTEE Act)*.

The NRTEE is a departmental corporation (*Financial Administration Act, Schedule II*).

The work of the NRTEE is directed by the Round Table members drawing on their expertise and insight. The members are part-time Governor-in-Council appointees. They represent different regions of Canada and are distinguished leaders from business, labour, universities, public service, and environmental organizations.

A Secretariat in Ottawa, headed by a President and CEO, supports the members. The Round Table normally meets a minimum of four times each year in plenary sessions where members discuss priorities and review and approve the work of the Secretariat.

General information about the NRTEE and its membership can be found on the agency's website at www.nrtee-trnee.ca

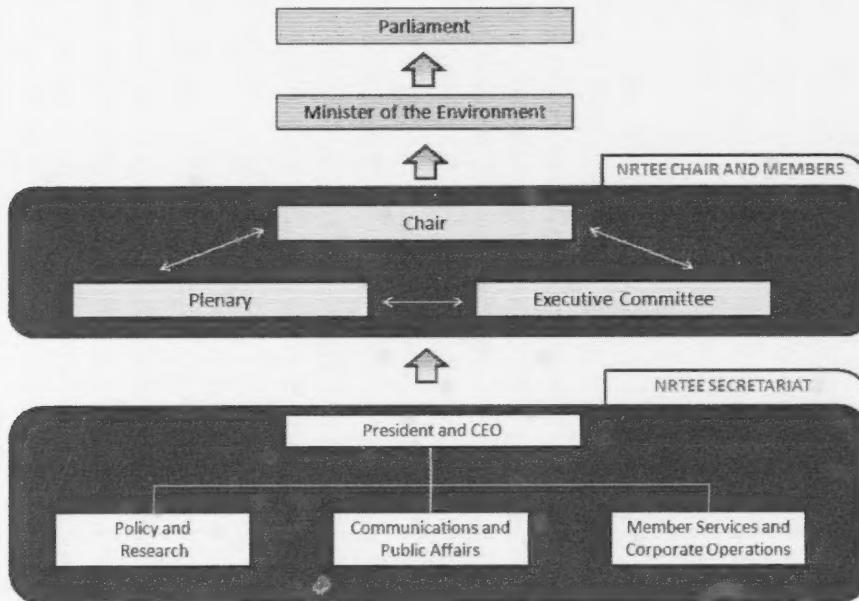


Figure 1: NRTEE internal organization and relationship to the federal government

Strategic Outcome and Program Activity Architecture (PAA)

The NRTEE aims to achieve the following single strategic outcome: Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.

This RPP is based on the Treasury Board-approved PAA shown in Figure 2 below.

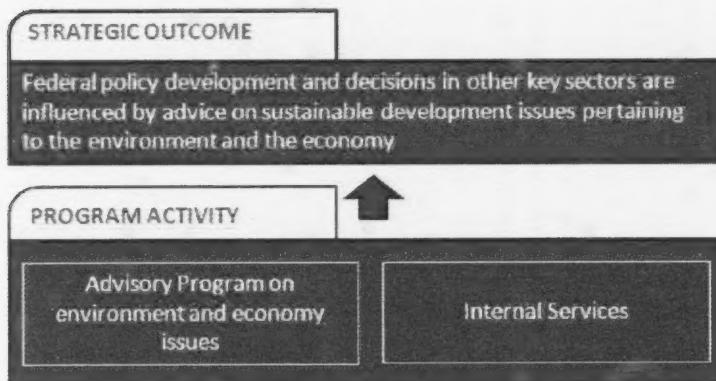


Figure 2: Program Activity Architecture (PAA)

Organizational Priorities

For 2012–2013, the agency has identified two key operational priority areas, both of which contribute to the NRTEE's single strategic outcome.

Priorities	Type	Links to Strategic Outcome
To produce policy advice to decision-makers on environment and economy issues	Ongoing	Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.
Status		
The production of policy advice is an ongoing core activity essential to efforts to achieve the NRTEE's stated strategic outcome. Specific plans in this regard focus on completing its existing policy agenda on <i>Climate Prosperity</i> and fulfilling two references from the Minister of the Environment. While doing so, the NRTEE will develop and move forward on the next policy advisory agenda of sustainable development. Details on these initiatives may be found in Section II.		
To promote policy advice to decision makers on environment and economy issues	Ongoing	Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.
Status		
Successful dissemination and promotion of the Round Tables reports and advice is integral to the attainment of influence in sustainable development policy decisions. The NRTEE will leverage its strong brand image and increase the use of media relations, direct stakeholder communications, electronic reporting and social media to boost its communication efforts. Additional information may be found in Section II.		

Risk Analysis

Organizational Context

The Secretariat, headed by a President and CEO, provides program management, policy and research analysis, communications, and administrative services to the Round Table.

Issues to be examined by the NRTEE are identified through an internal screening and scoping process, in which the final decisions reflect current policy, environmental, economic and/or political priorities together with NRTEE members' combined interests. The NRTEE reinforces members' expertise and advice with stakeholder consultation and original policy research undertaken, or directed by the Secretariat, as part of its approach to conducting its work.

The NRTEE can respond to specific research requests, called references, from the federal government (which it did during 2011-12). In addition, the Round Table has a legislated responsibility to respond, as per the *Kyoto Protocol Implementation Act*, to the federal government's annual Climate Change Plan, within 60 days.

Risks and Challenges

The NRTEE seeks to influence the government's approach to important sustainable development issues. To accomplish this, the NRTEE must produce and promote relevant, neutral, credible advice in a timely manner. Its ability to do so is affected by a number of risks and challenges, of which the key ones are as follows;

- A key indicator of the NRTEE's performance is its specific ability to influence government policy development. In Canada, particularly for the issues typically examined by the NRTEE, federal policy is not developed in isolation. It is affected by the government's relationships with other Canadian and international jurisdictions and by a range of other factors over which the NRTEE has no control, creating a complex decision-making environment, where direct attribution of influence is difficult to measure.
- As influence is a difficult performance indicator to measure, proxies are used. In addition to the challenge described above, the NRTEE's policy advice to government tends to focus on longer term issues and may translate into action only years after NRTEE's reports and recommendations are published. Therefore, the causal effect may not always be clear.
- The NRTEE policy lens tends to be long term in nature and can deal with contentious sustainability issues. This longer term view risks perceived asymmetry with current shorter term government agendas, time frames, and policy frameworks.
- Independent third-party feedback consistently recognizes the Round Table's two key strengths and unique elements as its high quality research and its' convening power – the ability to create a safe neutral space to discuss difficult issues. These two pillars are critical to the success of the Round Table's work and thus one of its key risks is reputational.
- The composition of the membership of the Round Table is a key element in providing guidance to the Secretariat, reviewing research and reports, engaging with stakeholders and in how the Round Table is perceived. A membership not representative both geographically and from a constituency standpoint runs the risk of weakening the reputation of the Round Table and its ability to provide timely, relevant advice. Having sufficient qualified and diverse members, including a duly appointed Chair, will help alleviate any such risks.

Planning Summary

Financial Resources (\$ thousands)

The financial resources table below provides a summary of the total planned spending for the NRTEE for the next three fiscal years.

Total Planned Spending

2012–2013	2013–2014	2014–2015
5,240.4	5,240.4	5,240.4

Human Resources (Full-time Equivalent - FTE)

The Human Resources tables provide a summary of the total planned human resources for the NRTEE for the next three years.

Total Planned Human Resources

2012–2013	2013–2014	2014–2015
30	30	30

Planning Summary Table

Strategic Outcome: Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.

Performance Indicator: Extent to which NRTEE advice is considered in policy decisions by federal decision makers

Target: NRTEE advice is partly responsible for a number of policy decisions and is often considered in assessing relevant policy choices made by federal government policy makers.

Program Activity	Forecast Spending 2011–12 (\$ thousands)	Planned Spending (\$ thousands)			Alignment to Government of Canada Outcomes
		2012–13	2013–14	2014–15	
Advisory Program on Environment and Economy Issue	3,333.3	3,327.7	3,327.7	3,327.7	Strong Economic Growth
Total Planned Spending		3,327.7	3,327.7	3,327.7	

Program Activity	Forecast Spending 2011-12 (\$ thousands)	Planned Spending (\$ thousands)		
		2012-13	2013-14	2014-15
Internal Services	1,915.9	1,912.7	1,912.7	1,912.7
Total Planned Spending		1,912.7	1,912.7	1,912.7

Expenditure Profile

The NRTEE's overall financial resources and expenditures profile is very stable, with only minor fluctuations over time, providing a consistent resource platform for the planning and delivery of activities, research, and reports.

Estimates by Vote

For information on the NRTEE appropriations please see the 2012-13 Main Estimates publication

Section II: Analysis of Program Activities by Strategic Outcome

Strategic Outcome

Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.

The NRTEE's approach to achieving its strategic outcome is to produce, disseminate, and promote policy advice about sustainable development challenges and opportunities; to increase the understanding of decision-makers of these issues; to inform the debate on current and emerging issues; and to endeavour to ensure that NRTEE advice is considered in policy decisions.

Target for 2012–2013: NRTEE advice is considered in assessing relevant policy choices made by federal government policy makers.

Performance indicator: A key indicator of the NRTEE's performance is the extent to which federal government policy makers consider the NRTEE's advice in federal policy decisions and use its research results when developing policy recommendations.

Program Activities (PA)

The NRTEE has two program activities under the Main Estimates:

- Advisory Program on Environment and Economy Issues
- Internal Services

Each will be described below. All the expected results from the Program Activities directly support the NRTEE's two key priorities as well as the NRTEE's single strategic outcome.

Program Activity: Advisory Program on Environment and Economy Issues

PA Description

Raising awareness and understanding among Canadians and their governments about the challenges of sustainable development and promoting viable solutions are vital to Canada's environmental and economic future. Through this program, the National Round Table on the Environment and the Economy (NRTEE) strives to influence policy development and decision making on select sustainable development issues pertaining to the environment and the economy.

The NRTEE conducts research and analysis and produces information and advice on selected sustainable development issues. The agency promotes its findings and recommendations through a variety of communications channels such as media relations, stakeholder briefings and other events, publications, and the agency website to influence policy and decisions of policy makers in the federal government and other key sectors such as other levels of government, industry, and non-government organizations across the country.

Program Activity: Advisory Program on Environment and Economy Issues						
Human Resources (FTEs) and Planned Spending (\$ thousands)						
2012–13		2013–14		2014–15		
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending	
17	3,327.7	17	3,327.7	17	3,327.7	
Expected Results		Performance Indicators			Targets	
Increased awareness and understanding		Level of awareness and understanding by federal decision-makers of NRTEE advice on selected issues		Decision-makers have high level of awareness of challenges and potential solutions proposed by the NRTEE. NRTEE is perceived as a leader, able to bring stakeholders together to discuss current and emerging issues.		
Useful recommendations and advice		Usefulness of policy advice and recommendations		Informed and regular contact with government decision-makers at all appropriate levels. Detailed policy briefings provided. Policy analysis is seen as relevant, timely, and useful. High stakeholder satisfaction.		
Effective communication of recommendations		Quality and reach of external communications		High visibility with stakeholders. Communications reach wide range of target audiences. Broad range of communications products, perceived to be of high quality. Periodic media coverage, generally positive.		
High quality research and consultations		Effectiveness of stakeholder consultation		Frequent consultation with stakeholders at national and regional levels. Consultations confirm high-quality NRTEE research and build support for policy advice. High level of participation in NRTEE events. Events are perceived to have high added value.		

Planning Highlights

Produce Policy Advice

The Round Table's policy research and analysis will focus on the following key initiatives in 2012-2013:

Climate Prosperity: The Economic Risks and Opportunities of Climate Change for Canada

Climate Prosperity is a multi-year policy initiative focussing on two principal research streams.

- The economic implications for Canada resulting from a changing climate, how we should adapt to it and the costs associated with this.
- The economic implications for Canada resulting from the transition to a low-carbon economy, what this means for our future competitiveness, and what strategies are needed to succeed.

To date, the Round Table has published the first four reports in its series on Climate Prosperity: *Measuring Up: Benchmarking Canada's Competitiveness in a Low -Carbon World; Degrees of Change: Climate Warming and the Stakes for Canada; Parallel Paths: Canada-U.S. Climate Policy Choices and Paying the Price: The Economic Impacts of Climate Change for Canada*

In the coming fiscal year the Round Table plans to complete its extensive work on this initiative and issue the fifth and sixth reports in the series:

- Report 5: *Facing the Elements: Building Business Resilience in a Changing Climate*. This Report will explore what Canadian industry needs to do to prepare and take action to adapt to climate change impacts and how governments can help. It will help draw connections between business resilience in a changing climate and core business strategies and priorities. It will also provide advice for businesses on how to best navigate climate change risks and seize opportunities, and give advice to Canadian governments on how best to support industry engagement and action on this issue.
- Report 6: *Policy Pathway Report for Global Low-Carbon Transition*. Report 6 will characterize the opportunities available to Canada through early transition to a low-carbon economy in terms of both resilience (risk mitigation in the context of global de-carbonization) and domestic and international market growth in low-carbon goods and services. It will identify what the opportunities are, where they reside (sectors, regionally), and how they should be harnessed in terms of investment, governance structures and mechanisms, energy infrastructure and emissions reduction actions, trade policies, and innovation and labour market policies. It will set out a practical integrated low-carbon growth framework for Canada.

More information on the initiative can be found at <http://www.nrtee-trnee.ca>.

Government References

In March, 2011 the Round Table was asked by the government to undertake two distinct policy research projects.

In the first, a request was made to undertake a comprehensive assessment of provincial/territorial climate change plans and policies to assess their likely contribution to Canada meeting its 2020 greenhouse gas emission target, and help inform federal policy approaches. The NRTEE report will qualitatively and quantitatively analyze the provincial/territorial plans, assess their impacts on the 2020 target and their interaction with federal targets and approaches and provide advice on how greater interjurisdictional coordination can occur on this issue.

In its second reference, the government asked the Round Table to consider how the Life Cycle Approach (LCA) to sustainable development can contribute to environmental stewardship and economic competitiveness. This report will include recommendations to increase the uptake of LCA's in the Canadian private sector and within the federal government. The recommendations will help the government assess how LCA's could contribute to long term sustainability in Canada, determine the role of government in their implementation and evaluate in what context LCA's could lead to clear benefits.

Both reports will be issued by the NRTEE in Spring, 2012. More information of these two references may be found at the NRTEE website at <http://www.nrtee-trnee.ca>.

Promote Advice

Promoting the research and policy advice of the Round Table is essential to raising awareness and influencing government. The NRTEE promotes its advice through media relations, its website, direct electronic distribution to stakeholders, as well as by undertaking outreach activities, speaking engagements, and collaborative activities with non-governmental sectors, stakeholders, academia, and other organizations. Each targeted audience and activity is critical to the agency's efforts to reinforce its acknowledged reputation as a credible and trustworthy source of research and advice.

Enhance Stakeholder Convening Activities

In 2012–2013, the NRTEE will continue its extensive briefings and stakeholder engagement on its ongoing work. These activities will be part of a targeted effort to increase the level of awareness and understanding of its recommendations and advice by federal decision makers and national and regional stakeholders, with the ultimate goal of influencing policy development on the issues addressed. The meetings provide a forum to present the NRTEE's advice and also to hear from stakeholders. This exchange of ideas is important for ensuring that the advice is useful and relevant; it also assists in framing future possible work on specific issues. The use of webinars and other forms of e-convening will be used to expand stakeholder participation while containing costs.

The agency will continue its efforts to improve the reach of its advice and influence through increased contacts with government, the media, NGOs, stakeholders, and others. Efforts to improve linkages and coordination within the portfolio will continue. By increasing its visibility, the NRTEE plans to raise its profile with the public and, in turn, strengthen its influence with various levels of government. The NRTEE will reinforce its efforts to more broadly communicate its role as a considered public policy advisor, and will utilize its various members to give voice to that message.

Improve Strategic Communications

The NRTEE will integrate its research and convening activities in a strategic way. This will be accomplished principally through the dissemination of the Round Table's policy reports, discussion papers, website content and media engagement. These reports are informed by meetings with, and by research derived from, leading experts and stakeholders from across the country.

The *NRT Review*, a new electronic bi-monthly newsletter, will be disseminated to some 4,000 legislators, officials, stakeholders, NGOs and other interested parties across Canada. Content will be developed to proactively inform target audiences on current NRTEE initiatives and upcoming events, soliciting their engagement and participation as appropriate.

In 2012-2013 the NRTEE will expand upon its preliminary successful forays into the field of social media. This has the potential to encourage citizen and stakeholder engagement and participation on new levels, helping to drive the national conversation on sustainable development issues. The effective use of social media tools will enhance the Round Table's reputation as a credible and reliable research body and help further establish it as a leader in national thinking on these issues. It will also establish a more engaged and inter-active stakeholder community.

The NRTEE will expand the use of its web analytical tools to better understand its website traffic and to use this information to more strategically target its constituencies and be more effective in its communications tools and efforts.

Comply With Bill C-288

The NRTEE will comply with its annual legislated responsibilities under the *Kyoto Protocol Implementation Act* with respect to the government's Climate Change Plan and Statement.

Setting the Future Round Table Policy Agenda

The NRTEE's recent policy initiatives in the areas of *Climate Prosperity* and *Water Sustainability* are wrapping up and a new, forward looking policy agenda is required. Initial scoping work on possible new directions has commenced with Round Table Members and a broader consultation with stakeholders, looking for their input and ideas, is being undertaken. This will form the basis of the NRTEE's next policy advisory commencing in Fall 2012.

Program Activity: Internal Services

Human Resources (FTEs) and Planned Spending (\$ thousands)					
2012-13		2013-14		2014-15	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
13	1,912.7	13	1,912.7	13	1,912.7

Planning Highlights

There are no major new initiatives planned for the Internal Services Activity for 2012-13. The focus will be on consolidation and refinement of earlier information management and information technology change initiatives and ongoing improvements and upgrades to financial and human resources tools. This will continue to make the NRTEE more efficient and help cut internal operating costs, continuing recent trends of finding ways to deliver more reports and undertake more stakeholder based activities without any increased funding.



Section III: Supplementary Information

Financial Highlights

Future-oriented Condensed Statement of Operations (Unaudited) For the Year (Ended March 31)

(\$ thousands)	\$ Change	Future-Oriented 2012-13	Future-Oriented 2011-12
Total Expenses	(317.6)	5,575.2	5,892.8
Total Revenues	(0.4)	15.0	15.4
Net Cost of Operations	(317.2)	5,560.2	5,877.4

Future-oriented Condensed Statement of Financial Position (Unaudited) For the Year (Ended March 31)

(\$ thousands)	\$ Change	Future-Oriented 2012-13	Future-Oriented 2011-12
Total Assets	(112.2)	469.6	581.8
Total Liabilities	(160.1)	839.5	999.6
Equity	47.9	(369.9)	(417.8)
Total	(112.1)	469.6	581.8

The future-oriented financial statements and applicable notes can be found on the NRTEE website at <http://www.nrtee-trnee.ca/corporate-reporting/rpp-2012-2013/rpp-2012-2013-future-oriented-financial-statements>

List of Supplementary Information Tables

All electronic supplementary information tables found in the 2012-13 Report on Plans and Priorities can be found on the Treasury Board of Canada Secretariat's website at www.tbs-sct.gc.ca

Summary of Capital Spending by Program Activity

Green Procurement



Section IV: Supplementary Information

Round Table Members

Members meet at least four times a year to review research, approve reports, and agree on new priorities for action. Members often participate in expert advisory committees and on NRTEE task forces. They bring unique expertise as well as a broader perspective to the Round Table, essential to enriching the NRTEE's results.

(At December 31, 2011; subject to change during the year)

David Bishop

Regina, Saskatchewan

Robert Kulhawy

Calgary, Alberta

The Honourable Pauline Browes, P.C.

Toronto, Ontario

Donald MacKinnon

Toronto, Ontario

Dianne Cunningham

London, Ontario

Robert Mills

Red Deer, Alberta

John Hachey

Lachine, Québec

Mark Parent (Vice Chair)

Halifax, Nova Scotia

Tim Haig

Oakville, Ontario

Richard Prokopanko

Vancouver, British Columbia

Christopher Hilkene

Toronto, Ontario

Robert Slater (Vice Chair)

Ottawa, Ontario

Franklin Holtforster

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